



STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

February 25, 1977

1977-2

TO THE PRESIDENT OF THE INSURER ADDRESSED

Dear Sir:

My letter of November 12, 1976 advised of the rate level index systems being established by this office to determine whether competition is proving to be an effective regulator of rates.

The furnishing of specific rate information was required to assist the Bureau in monitoring price changes for Home-owners, Automobile Liability (B.I., P.D., etc.), and Automobile Physical Damage coverages.

Our original request related to the Family Automobile Policy (FAP) only. We have now decided that we should also collect comparable data for the Special Package Automobile Policy (SPAP) or its equivalent.

In order to establish the data base needed for SPAP policies, your company (or Rate Service Organization) is directed to provide the specific rate information and other data requested in the enclosed forms.

Form VA CP-14 (2/77), which may be reproduced for future use, requires the reporting of SPAP rates on file by your company on January 1, 1976, and requires that a separate report be submitted for each change in SPAP rates filed subsequent to that date. Any future filings of SPAP rates to become effective subsequent hereto will be considered incomplete, and will not become effective, without the required rate report, Form VA CP-14 (2/77) being attached thereto.

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Henceforth, Forms VA CP-10 (11/76) and VA CP-11 (11/76), attached to my letter of November 12, 1976, will be used to report changes filed in Automobile Liability and Physical Damage rates for the FAP only. Changes in SPAP rates filed hereafter must be reported on Form VA CP-14 (2/77), attached hereto.

In order to complete our records concerning SPAP filed rates, Form VA CP-17 (2/77), with appropriate attachments, must be completed and returned to, and received in, this office on or before April 15, 1977.

In addition, Form VA CP-18 (2/77) must be completed and returned with Form VA CP-17 (2/77), indicating the percentages (to the closest one (1) percent, no tenths) of automobile premiums written in Virginia for each of the years 1973-1976, separately for Private Passenger (FAP and SPAP) and Commercial, separate for Voluntary Risks and Assigned Risks, and separately for Liability and Physical Damage.

Indicate percentages of Virginia Automobile Insurance Plan premiums written only under the appropriate Assigned Risks columns. Include Basic Automobile Policy (BAP) voluntary private passenger premium percentages in the FAP percentages. Include Garage, Public, etc. premium percentages in the Commercial percentages under Voluntary or Assigned Risks, as appropriate. As indicated in Column (9) of the Form, the Private Passenger Column (5) Total, combined with the Commercial Column (8) Total, should equate to 100% of Annual Statement Page 14 Direct Premiums Written in Virginia for Automobile Liability and for Automobile Physical Damage for each of the years 1973-1976.

If you have any questions concerning the foregoing, please contact Assistant Commissioner Hazelwood at 804/786-3666. Thank you for your assistance.

Sincerely yours,



John G. Day
Commissioner of Insurance

JGD:dbh

Enclosures